

## Message Text

PAGE 01 TEHRAN 05672 170903Z

14-12

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 CIAE-00 DODE-00 PM-03 H-02

INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15

USIA-06 AID-05 EB-07 CIEP-01 TRSE-00 STR-04 OMB-01

CEA-01 COME-00 FRB-03 XMB-02 FEA-01 SAM-01 INT-05

SAB-01 SIL-01 FMC-01 OES-03 DOTE-00 /105 W

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R 170702Z JUN 75

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 2018

INFO AMEMBASSY ABU DHABI

AMEMBASSY ANKARA

AMEMBASSY DOHA

AMEMBASSY ISLAMABAD

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY MANAMA

AMEMBASSY BEIRUT

LIMITED OFFICIAL USE TEHRAN 5672

E.O. 11652: NA

TAGS: ECON, IR

SUBJ: PLANNING MINISTER ANNOUNCES DEVELOPMENT SLOWDOWN

REF: (A) TEHRAN 5491; (B) TEHRAN A-130

1. PUBLIC CONFIRMATION OF A PULLBACK FROM IRAN'S AMBITIOUS  
FIFTH DEVELOPMENT PLAN GOALS WAS MADE BY PLAN AND BUDGET ORGANIZA-  
TION DIRECTOR AND MINISTER OF STATE A.M. MAJIDI IN A JUNE 15 PRESS  
CONFERENCE ALSO CARRIED BY NATIONAL IRANIAN TELEVISION. HE  
CITED THE REDUCTION IN OIL REVENUES, SHORTAGES IN MANPOWER AND  
CONSTRUCTION MATERIAL (IRON AND STEEL, CEMENT, BRICKS), INFRA-  
STRUCTURE BOTTLENECKS AND INFLATION AS REASONS FOR A REASSESSMENT  
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OF DEVELOPMENT PRIORITIES. MAJIDI PREDICTED AVERAGE DAILY OIL  
OUTPUT DURING 1975 AT 5.6 MILLION BARRELS. DURING THE CURRENT  
IRANIAN YEAR (MARCH 21, 1975-MARCH 20, 1976), THERE EXISTS A PRO-  
JECTED SHORTAGE OF 111,000 WORKERS INCLUDING 84,000 SEMI-SKILLED

AND SKILLED WORKERS, 6,500 TECHNICIANS, 7,000 TEACHERS, 3,740 ENGINEERS, AND 1,820 DOCTORS.

2. TURNING TO THE PORT BOTTLENECK, MAJIDI SAID THAT LAST YEAR A TOTAL OF 11,500 DAYS WERE WASTED BY SHIPS WAITING AT IRANIAN PORTS, AND THE TOTAL IS EXPECTED TO REACH 16,000 THIS YEAR. HE CRITICIZED THE SLOW IMPROVEMENT OF PORT FACILITIES, BUT CLAIMED MAXIMUM USE OF TOTAL CAPACITY IS BEING USED AND THAT BY WORKING THREE SHIFTS DAILY AN ESTIMATED 10.4 MILLION TONS OF CARGO WOULD BE UNLOADED DURING THE CURRENT IRANIAN YEAR AT PORTS WITH A TOTAL ANNUAL CAPACITY OF ONLY 5 MILLION TONS.

3. MAJIDI SPOKE OF "CERTAIN ADJUSTMENTS" IN PRIORITIES BUT ALSO STATED THAT AGENCIES AND DEPARTEMENTS WOULD CONTINUE THEIR SPENDING PLANS ACCORDING TO PRESENT BUDGET ALLOCATIONS. HE ALSO SAID FOREIGN AID PRIORITIES WOULD BE REVIEWED AND FUTURE FINANCIAL ASSISTANCE GIVEN TO ONLY "HIGHLY IMPORTANT" PROJECTS.

4. COMMENT: WE CONTINUE TO BELIEVE THAT ANY SHORTFALLS IN SPENDING THIS YEAR WILL BE BECAUSE OF SOME DEPARTMENTS' INABILITY TO UTILIZE AMOUNTS APPROPRIATED RATHER THAN BECAUSE OF LESS THAN EXPECTED FOREIGN EXCHANGE EARNINGS. MAJIDI'S REFERENCE TO A MORE CAREFUL SCRUTINY OF FOREIGN AID REITERATES SIMILAR VIEWS EXPRESSED BY OTHER IRANIAN OFFICIALS (TEHRAN 765 AND 1248).  
HELMS

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## Message Attributes

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**Capture Date:** 26 AUG 1999  
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**Current Classification:** UNCLASSIFIED  
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**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Status:** <DBA CORRECTED> wfs 971022  
**Subject:** n/a  
**TAGS:** ECON, IR  
**To:** STATE INFO ABU DHABI  
ANKARA  
DOHA  
ISLAMABAD  
JIDDA  
KUWAIT

MANAMA  
BEIRUT

**Type:** TE

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